



Corporate Governance Compliance Rating Report



Turcas Petrol A.Ş.

21 February 2024

Validity Period: 21.02.2024-21.02.2025

LIMITATIONS

This Corporate Governance Rating Report, issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. for Turcas Petrol A.Ş.

has been prepared by considering Communiqué Amending the "Corporate Governance Communiqué (II-17,1) (II-17,1.a)" published in the Official Gazette No. 31262 on 02 October 2020 by the Board, as well as regulations regarding the voluntary sustainability principles compliance framework and the board decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105 in addition to the criteria specified in the "Corporate Governance Communiqué No. II-17.1" of the Capital Markets Board published in the Official Gazette dated 03 January 2014 and numbered 28871

The criteria established for the companies whose shares are traded at BIST are organized separately as First Group, Second Group and Third Group companies and investment partnerships, taking into consideration the group distinctions stated by CMB's Corporate Governance Principles in Item 2 - Article 5 of communiqué no II-17.1, published in the Official Gazette on 03.01.2014.

The Corporate Governance Compliance Rating Report issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. is based on 106 copies of documents, data and files transmitted by the concerned firm electronically, including data open to public and examinations made by our rating experts on site.

Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. has formulated its Ethical Rules according to the Banking Act, the CMB and BRSA Directives on the Operations of Rating Companies, generally accepted ethical rules of the IOSCO and OECD including generally accepted ethical customs, which is shared with the public through its Internet website (www.kobirate.com.tr).

Although rating is an assessment based on numerous data, it is consequently the institutional opinion of Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. formed according to the methodology disclosed.

The rating grade does not constitute a recommendation to purchase, hold, or dispose of any kind of borrowing instrument. KOBİRATE A.Ş. may not be held liable for any losses incurred or investments made to the company referring to this report.

© All rights in this report belong to Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. This report cannot be printed in writing and electronically reproduced and distributed without our permission.

TABLE OF CONTENTS

1.	Rating Result	3
2.	Revised Rating Summary	5
3.	Company Profile and Changes over the Past Year	12
4.	Rating Methodology	18
5.	Corporate Governance Compliance Grades and Descriptions	20





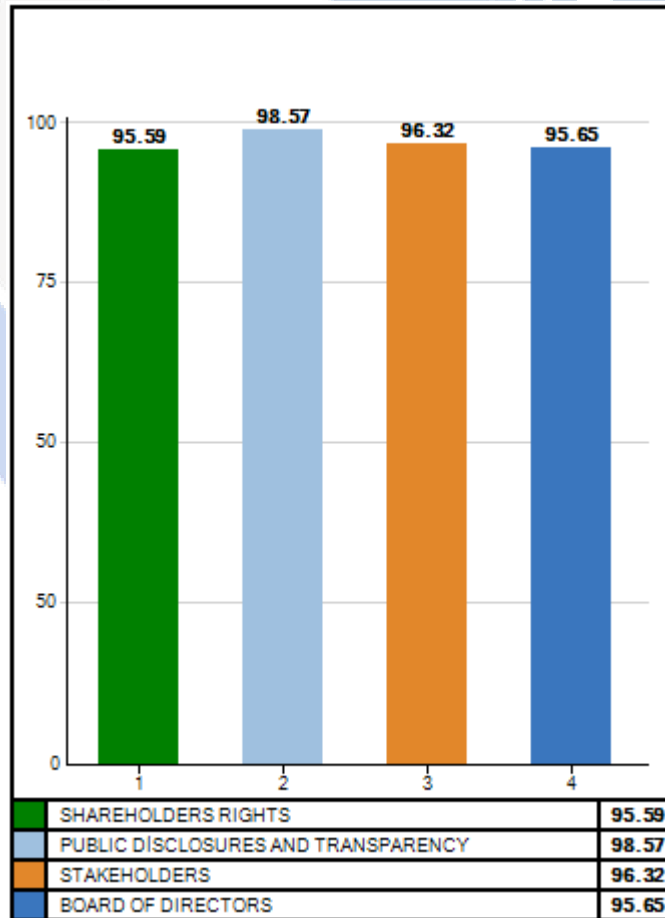
Turcas Petrol A.Ş.

1. RATING RESULT

BIST FIRST GROUP COMPANY

CMB CORPORATE GOVERNANCE
PRINCIPLES COMPLIANCE GRADE

9.65





Kobirate A.Ş. Contact:

Rating Expert:

Serap ÇEMBERTAŞ (License Number: 700342)

(216) 3305620 Pbx

serapcembertas@kobirate.com.tr

www.kobirate.com.tr

Hasanpaşa Mahallesi Ali Ruhi Sokak No:2 Kat:2 Daire:2 34722 Kadıköy İstanbul

Corporate Governance Rating Committee

Burhan TAŞTAN

(License Number: 700545)

Can TEKİN

(License Number: 700573)

Nermin Z. UYAR

(License Number: 702999)

2. REVISED RATING SUMMARY

This report of rating of compliance of Turcas Petrol A.Ş. with the Corporate Governance Principles is concluded through onsite examinations of the documents and information open to the public, interviews with executives and persons involved, and other examinations and observations. The study has been held in accordance with the Corporate Governance Compliance Rating Methodology developed by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. In the methodology and rating process, in addition to the Capital Markets Board's Corporate Governance Communiqué No. II-17.1, the Communiqué Amending the "Corporate Governance Communiqué (II-17,1) (II-17,1.a)" published by the Board has been considered in addition to the regulations regarding the voluntary sustainability principles compliance framework and the board decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105.

According to the Capital Markets Board decision dated 25.01.2024 and numbered 6/121, Turcas Petrol A.Ş. is in the BIST 1st Group Companies list. The Company has been evaluated through examination of 456 criteria described in Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş.'s methodology of "BIST 1st Group Companies". At the end of the examination of criteria under the main headings of Shareholders, Public Disclosure and Transparency, the Stakeholders and the Board of Directors, the Corporate Governance Compliance Rating Grade of Turcas Petrol A.Ş. has been revised to **9.65**.

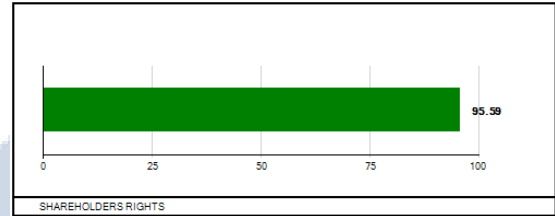
This result shows that the Company has achieved very high compliance with the Corporate Governance Principles issued by the Capital Market Board. Potential risks that the Company may be exposed to are identified and can be managed. The level of public disclosure and transparency is high. The rights of the shareholders and stakeholders are treated fairly. The structure and working conditions of the board of directors are widely

compliant with corporate governance principles.

When the activities of Turcas Petrol A.Ş. for the last year are examined, it is seen that it has been maintaining its compliance with Corporate Governance Principles with improvement.

In conclusion, this rating indicates that the Company highly deserves to be included in the BIST Corporate Governance Index.

▪ In the Shareholders section, the rating of Turcas Petrol has been confirmed as **95.59**.



During the reviewing period, it has been observed that the company continues its activities in the field of informing the shareholders and exercising their fundamental shareholder rights with the same sensitivity and efficiency. It is understood that the harmonious cooperation of the Investor Relations Department with the Corporate Governance Committee is effective in the correct and effective exercise of the rights of the shareholders.

Investor Relations Department activities are carried out under the coordination and supervision of Erhan İLHANTEKİN (Finance Director- CFO), by Mr. Mert GÖKNAR (Finance Director) and Mr. Arif ŞAHİN (Corporate Finance and Investor Relations Manager). Mr. İLHANTEKİN has Capital Market Activities Level-3 and Corporate Governance Rating Licenses and has been serving as a Corporate Governance Committee Member since 04.06.2012 in accordance with the Communiqué No. II-17.1 of the Capital Markets Board.

Regular reports are made to the Board of Directors and the Corporate Governance Committee regarding the activities carried out by the Investor Relations Department. The department submits its detailed analyses on share performance and liquidity every week and comprehensive quarterly reports on the company's activities and corporate governance principles to the Board of Directors. In 2023, a total of 4 (four) reports were submitted to the Board of Directors in March, June, September, and December.

Shareholders' right to obtain information and to examine is not canceled or restricted by the Articles of Association or any department of the Company.

The company carries out its disclosures to the shareholders and the public in accordance with the "Disclosure Policy." The said policy is published on the company's corporate website. During the monitoring period, it was determined that the company showed due diligence in exercising its fundamental shareholding rights.

The Ordinary General Assembly meeting to discuss the operations of 2022 took place on 20.06.2023. The invitation to the ordinary general assembly meeting was published on the Public Disclosure Platform (PDP), the Central Registry Agency e-general assembly system (EGAS) on 29.05.2023, and in the Turkish Trade Registry Gazette (TTRG) dated 29.05.2023 and numbered 10840. The meeting invitation was made at least 3 (three) weeks before the meeting date as stipulated by the principles.

In the general assembly Information Document, which is submitted to the shareholders for review along with the meeting invitation, detailed information is given about the distribution of company shares, the voting rights granted by the shares and the voting privileges. In addition, whether the shareholders have a request to add an item to the agenda and the information that is required to be announced to the shareholders and the public in the

corporate governance principles are also included.

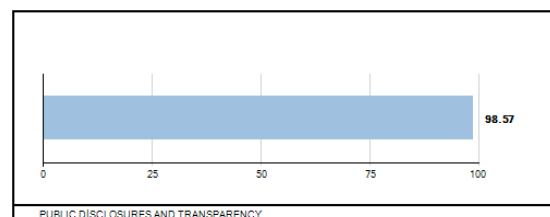
Executives and auditors who are authorized to brief participants on special subjects and answer their questions have attended the general assembly meeting. The meeting was attended by Mr. Erdal AKSOY (Chairman of the Board), Ms. Banu AKSOY (Vice Chairman of the Board of Directors), Mr. M. Timuçin TECMEN (Member of the Board of Directors), Mr. Emre DERMAN (Independent Board Member), Ms. Lale ERGİN (Independent Board Member), and Mr. S. Batu AKSOY (Member of the Board of Directors and CEO). On the other hand, Mr. Erkan İLHANTEKİN (Finance Director-CFO) and Ms. Eda YÜKSEL (CLO - Legal Director), Mr. Mert GÖKNAR (Finance Director) and the Representative of the Independent Audit Company were present.

The company obtained a net distributable period profit of 793,194,733.00 TL from its activities in 2022, according to the unconsolidated financial statements prepared within the framework of CMB legislation. According to the financial statements prepared in accordance with the TPL, there is no distributable profit since a loss of (349,391,385.67) TL occurred.

The reason for not distributing profits was provided to the shareholders at the general assembly.

The profit distribution proposal of the board of directors and the profit distribution table were published on the Public Disclosure Platform on the same day as the invitation to the general assembly.

▪ In the Public Disclosure and Transparency section, the company's rating was revised to **98.57**.



The developments that justified the credit rating increase of Turcas Petrol under this main topic:

In the Annual Activity Report;

○ It is stated that there is no capital market instrument other than the shares issued by the company,

○ Information is provided about the transactions conducted with the company by the members of the management body within the framework of the permission given by the company's general assembly, and their activities subject to the competition ban,

○ An explanation is made regarding the administrative or judicial sanctions imposed on the company and the members of the management body due to non-compliant practices with legislative provisions,

○ Significant lawsuits filed against the company and their potential outcomes are mentioned,

○ It is mentioned whether an Extraordinary General Assembly was held within the relevant activity period,

○ An explanation about the Right of Shareholders to Request a Special Auditor is given, and it is stated that no request for appointing a special auditor was received from the shareholders during the period.

It has been determined that Turcas Petrol's works on public disclosure and transparency are in compliance with legal regulations and corporate governance principles. Annual reports are rich in content and contain sufficient information about the activities.

The corporate website (www.turcas.com.tr) is updated regularly, and the website is being used as an active and effective public disclosure platform. All information and documents that the public, investors, and other interested parties want to access are published on the company's corporate website for the last five (5) years. It has been observed that this information is consistent with the disclosures made in accordance with the provisions of the relevant legislation and does not contain contradictory and incomplete information. The corporate

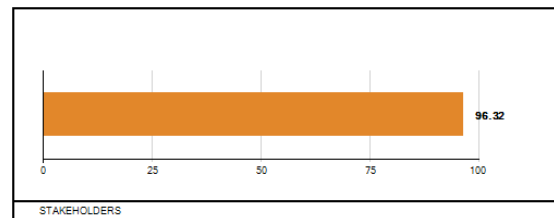
website is designed as a convenient, easily accessible structure.

The officials in the Company who are charged with disclosures and have the authority for signature are Mr. Erkan İLHANTEKİN (Finance Director-CFO) and Mr. Engin ÇAYLAN (Accounting Manager). The named persons have been assigned to maintain and monitor all kinds of issues related to public disclosure.

An Independent external audit for 2022 was conducted by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A member firm of Ernst & Young Global Limited). There are no cases where the independent audit avoided expressing opinion, expressed opinion with conditions or avoided signature in the reports. It has been learned from company officials that no event occurred with the independent audit company or its auditors that could damage this company's independence and that there was no legal conflict with it.

For the independent external audit of the accounts and transactions of the 2023 operating year within the framework of the Capital Markets legislation, the Turkish Commercial Code, and the relevant legislation, BDO Denet Bağımsız Denetim ve Danışmanlık A.Ş. was elected with the recommendation of the audit committee and the approval of the general assembly dated 31.03.2022.

▪ In the Stakeholders section, the company's rating has been revised to **96.32**.



It is concluded that Turcas Petrol protects stakeholders' rights, which are specified in regulations and mutual contracts. The impression is that in case of lack of regulation, the company respects stakeholders' rights within goodwill rules and the company's

reputation. It has been observed that many internal regulations were prepared to this end.

The company has a very detailed Human Resources Policy, which is determined in accordance with contemporary norms. The processes established within the scope of Human Resources Policies include written procedures that emphasize the principles of efficiency based on objective criteria to protect the rights of both the company and the employees during the recruitment process and during the training and career path of the recruited employees.

The Compensation Policy for employees has been prepared and disclosed to the public via the corporate website.

In order to carry out activities that will support the corporate culture, increase the communication and motivation of the employees, and provide efficiency in the business processes, the Internal Communication Group was established with the corporate identity of Synergic Movements. In the Internal Communication Group, which has started to carry out its activities since 2014 and has the experience, knowledge and skills that will provide added value in the formation and development of the projects, an "Employee Representative" is appointed in order to receive the expectations of the employees through the representative channel and share them with the team.

"Employee Experience and Loyalty Research" and "Corporate Culture and Organizational Climate Research" are carried out based on the belief that it is important to identify the needs, expectations and factors that increase the motivation of employees in order to strengthen the corporate structure and achieve sustainable success.

Instead of the "Employee Loyalty and Satisfaction Survey" that the Company had conducted in the past, the "Corporate Culture and Organizational Climate Survey" was

conducted at the end of 2022. This research, which is planned to be conducted every 2 years, will be carried out at the end of 2024. It is aimed to measure employee experience with the help of "Pulse Measurement Surveys" to be published on the Digital Employee Experience Platform and to take actions based on the results. While the "Internal Customer Satisfaction and Organizational Compliance Research" is also conducted online every year, it was decided to hold feedback meetings with departments/units instead of online research for the evaluations of 2023.

It has been determined that the Company runs training programs to increase the knowledge, talents, and experience of its employees and that it has prepared training policies.

As of 31.12.2023, 41 people were employed in Turcas Petrol, and the company is not a party to any collective labor agreement.

Turcas Petrol declares that it strives to continuously improve its corporate social responsibility efforts, promote long-term partnerships, and contribute to positive change for a better world, in line with the United Nations Sustainable Development Goals. Within the framework of its business strategy, it states that it sees the Corporate Social Responsibility Principle as the mainstay of sustainable growth and that it adopts adding value to the society it lives in as its primary responsibility in all its investments. Its Corporate Social Responsibility Studies, which are grouped under the headings of Training, Equality and Collaborations, can be accessed through the annual activity report, sustainability report and corporate website.

Sustainability;

Turcas states that the "human and environment-centered sustainable growth principle" is at the core of its business strategy. Within the framework of this strategy, Turcas has publicly declared that;

- It is making long-term, future-oriented investments, as one of the deep-rooted energy companies in Turkey,
- It adopts adding value to the society in which it lives as its main responsibility in all its investments,
- It strives to make its services create added value for the country's economy, be innovative and environmentally friendly,
- It considers the principle of Corporate Social Responsibility as the basis of sustainable growth,
- It adopts a responsible, ethical, and transparent management approach.

It has compiled its sustainability approach under the following headings:

- Environmental Policy
- Quality Policy
- Occupational Health and Safety (OHS) Policy
 - Risk management
 - Corporate Governance
 - Corporate Social Responsibility

. Accordingly, the company has also publicly announced its commitments on the issues below.

1. Environmental Policy
2. Quality Policy
3. Occupational Health and Safety (OHS) Policy

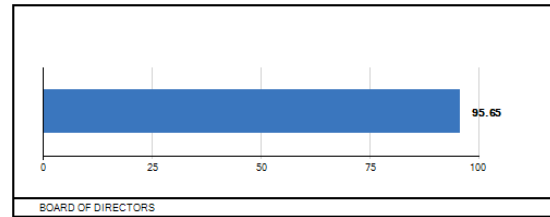
In line with the sustainability principles - the Human Rights and Employee Rights Principle, the "Turcas Code of Ethics and Compliance with the Legislation Policy" has been established and announced on the corporate website.

The company announced its first "Sustainability Report" to the public in 2023, covering the period 01.01.2022 - 31.12.2022 and prepared in accordance with global GRI (Global Reporting Initiative) standards. This development also justifies the company's rating increase in this main section.

Turcas Petrol A.Ş.'s Sustainability Policies and comprehensive reports are also available on the corporate website.

The company is not yet included in the "BIST Sustainability Index."

- In the Board of Directors section, the rating of Turcas Petrol was revised to **95.65**.



In the interviews with the relevant officials and the examinations of some selected board decisions, it was determined that the board continues its work actively, effectively, and regularly. It has been observed that the Board of Directors internalizes the corporate governance principles, adopts an open approach to improvement and development, and displays a proactive attitude.

It has been determined that the Committees continue their work regularly in the meetings with the company officials and the examinations made on the Decision Books of the Committees.

The Board of Directors has described the corporate strategic objectives and determined necessary human and financial resources.

The duties of the Chairman of the Board of Directors and General Manager are carried out by different people. In accordance with the principle of clear separation of the powers of the chairman of the board of directors and the chief executive officer/general manager, the duties of the board of directors and the chairman are clearly listed in Articles 14 and 16 of the Company's articles of association. On the other hand, the duties of the chairman of the board of directors, members and the general manager are defined in detail in the regulation that regulates the working principles of the board of directors. These duty

descriptions largely comply with the principles.

The Company's Board of Directors is formed with 8 (eight) members, including 1 (one) Chairman and 7 (seven) members. The requirement of having at least 5 (five) members to form the Board has been met and the number of Board Members found sufficient to serve effectively and constructively and to form and efficiently organize activities of committees.

5 (five) Board members are non – executives, while 3 (three) of them are executives. 3 (three) members are independent members who satisfy the independence criteria laid down by the Corporate Governance Principles.

There are 2 (two) female members on the Board of Directors, corresponding to 25% of the members. This structure complies with the "not less than 25%" criterion determined by the CMB as the rate of female members on the board of directors.

In order for the Board of Directors to fulfill its duties and responsibilities soundly, the Audit Committee, Corporate Governance Committee and Early Detection of Risk Committees have been established.

The duties, working principles and the members of the committees have been determined by the Board of Directors, approved as written documents, announced to the public and published on the company's corporate website. The formation of the committees complies with the criteria listed in the corporate governance principles. The company's general manager/chief executive officer has not been appointed within the committee structures.

All board of directors members are elected to serve for 3 (three) years.

According to the Capital Markets Board's decision dated 12.01.2023 and numbered 2/51, Turcas Petrol A.Ş is included in the BIST First Group Companies list. In order to comply

with Article 5 and Article 4.3.4 of the Corporate Governance Principles, the number of board members was determined to be 8, and the number of independent board members was determined to be 3, at the ordinary general assembly held on 20 June 2023. In this regard, Mr. Timothy James FORD has been appointed as an independent board member.

When the method followed before the general assembly regarding the independent member of the board of directors is examined, it is understood that:

- The Nomination Committee prepares an evaluation report on the independence of the candidate for the election of independent members and submits it to the board of directors,
- The board of directors elects independent members within the framework of the nomination committee's report,
- The report prepared regarding the selected candidate, along with the candidate's CV information, declaration of independence and the board of directors' decision, was sent to the Capital Markets Board 60 days before the general assembly to be held, and a positive response was received.

It was determined that the processes followed in the selection of independent members were in accordance with corporate governance principles and this development was evaluated as the justification for the increase in the score in this main section.

The Board of Directors convened 4 (four) times in 2023, in March, June, September and December.

The secretariat of the Board is carried out by the CLO-Legal Director, Ms. Eda YÜKSEL.

In 2023, the Audit and Corporate Governance Committees held 4 (four) meetings and the Early Detection of Risk Committee held 6 (six) meetings and presented their reports on the meeting results to the Board of Directors.

Due to the structure of the Board of Directors, a separate Nomination Committee and Remuneration Committee have not been established, and the duties of these committees are carried out by the Corporate Governance Committee.

The secretariats of the committees were established, and their job descriptions were prepared.

The secretariat of the Audit Committee is carried out by Mr. Erkan İLHANTEKİN (Finance Director-CFO) and Ms. Eda YÜKSEL (CLO - Legal Director), while the secretariat of the Corporate Governance Committee and the Early Detection of Risk Committee is carried out by Mr. Arif ŞAHİN (Corporate Finance and Investor Relations Manager).

As in previous years, internal audit activities were carried out in 2023 by outsourcing. The relevant organization carried out internal audit processes with each department/unit manager in line with the audit calendar spread throughout the year and submitted the completed reports to the Audit Committee quarterly. It presented the consolidated report of all Departments to the Audit Committee in December.

In the examinations made on the documents, it was observed that the meeting records of both the Board and the Committees were kept regularly.

Remuneration Principles for the Members of the Board of Directors and Senior Executives have been determined and disclosed to the public on the Company's corporate website.

It has been seen that actions have been taken in compliance with the principle, which states that stock options or payment plans based on corporate performance should not be used for the remuneration of independent members of the board. The emoluments of independent directors are sufficient to protect their independence.

It has been learned that the Company has not lent or extended a loan to any board or top executive member, made any credit under personal loan through any third person, or provided securities such as surety in favor of them.

The Board of Directors conducts self-criticism and performance evaluation on the basis of the board, its members, and the managers with administrative responsibilities. The performance evaluation for 2023 was carried out in December and it was learned that the results obtained will be evaluated at the first board meeting to be held in 2024.

However, there is no practice of rewarding or dismissing the members of the board of directors based on their performance.

In the annual report, the wages paid to the members of the board of directors and senior executives and all other benefits provided are explained with a distinction between the board of directors and senior executives. In accordance with the Corporate Governance Communiqué No. II-17.1, it would be appropriate to disclose this statement on a person-to-person basis.

The damages to be caused to the company by the faults of the members of the board of directors during their duties are covered by insurance and disclosed on the Public Disclosure Platform on 23.08.2023.

3. COMPANY PROFILE AND CHANGES OVER THE PAST YEAR

A. Company Profile:



Company Name	: Turcas Petrol A.Ş.
Company Address	: Maslak Mah. AOS 55. Sk. 42 Maslak A Blok No 2 İç Kapı No 7 Sarıyer / İstanbul
Company Phone	: 0(212) 259 0000/17 lines
Company Fax Number	: 0(212) 259 0019
Company's Web Address	: www.turcas.com.tr
E-mail Address	: IR@turcas.com.tr
Date of Incorporation	: 07/03/1980
Trade Registry Number:	: 171118
Paid-in Capital	: 255,600,000 – TL
Field of Activity of the Company	: National and international activities and investments for exploration, production, transportation, distribution, storage, import, export and trade in the energy sector and its sub-branches such as fuel distribution, electricity, and natural gas.
The Sector in Which It Operates	: Financial Institutions / Holdings and Investment Companies

Company Representatives Related to Rating

Erkan İLHANTEKİN

Finance Director (CFO)

erkan.ilhantekin@turcas.com.tr

0(212) 259 0000/1270

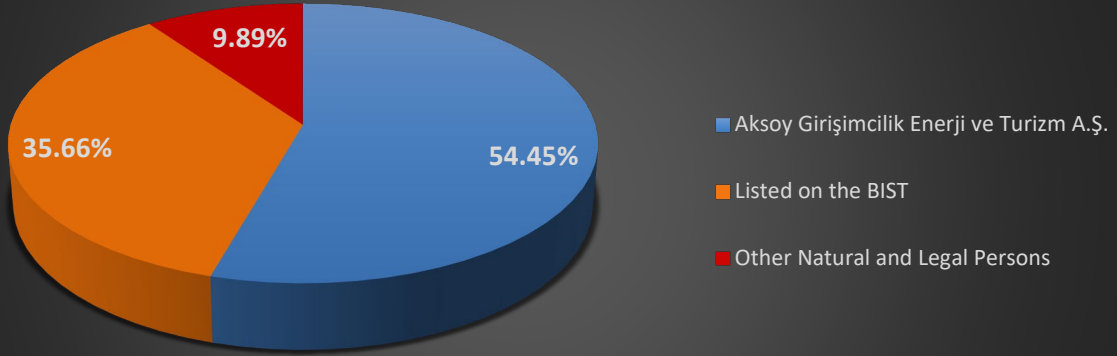
Mert GÖKNAR

Finance Director

mert.goknar@turcas.com.tr

0(212) 259 0000/1243

**TURCAS Petrol A.Ş Shareholding Structure
(31.12.2023)**



Shareholder Name	Amount of Capital (TL)	Ratio (%)
Aksoy Girişimcilik Enerji ve Turizm A.Ş.	139,175,891.75	54.45
Listed on the BIST	91,147,972.11	35.66
Other Natural and Legal Persons	25,276,136.15	9.89
Total	255,600,000.00	100

Source: www.kap.org.tr

Real and Legal Persons Owning the Capital Indirectly (31.12.2023)

Shareholder Name	Amount of Capital (TL)	Ratio (%)
Saffet Batu AKSOY	48,683,329	19.05
Banu AKSOY	48,683,329	19.05
Erdal AKSOY	40,676,738	15.91
Aksoy Enternasyonal Ticaret A.Ş.	1,080,259	0.42
Aksoy Girişimcilik Enerji ve Turizm A.Ş.	570,299	0.22
Ayşe Belkis AKSOY	562,197	0.22

Source: www.kap.org.tr

Aksoy Girişimcilik Enerji ve Turizm A.Ş. Quality of Shareholder Structure (31.12.2023)

Shareholder Name	Amount of Capital (TL)	Ratio (%)
S. Batu AKSOY	243,575,547	34.8
Banu AKSOY	243,575,547	34.8
Erdal AKSOY	204,587,996	29.2
Aksoy Enternasyonal Ticaret A.Ş.	5,433,279	0.8
Ayşe Belkis AKSOY	2,827,631	0.4
TOTAL	700,000,000	100

Source: www.turcas.com.tr

Board of Directors

Name/ Surname	Title	Executive/Non-Executive
Erdal AKSOY	Chairman	Executive
Banu AKSOY	Deputy Chairman	Executive
S. Batu AKSOY	Member of the Board of Directors and CEO	Executive
M. Timuçin TECMEN	Member of Board of Directors	Non - Executive
Matthew J. BRYZA	Member of Board of Directors	Non - Executive
Lale ERGİN	Independent Member of Board of Directors	Non - Executive
Emre DERMAN	Independent Member of Board of Directors	Non - Executive
Timothy James FORD	Independent Member of Board of Directors	Non - Executive

Source: www.kap.org.tr

Company Executive Committee

Name/ Surname	Title
S. Batu AKSOY	Chairman of the Committee, Member of the Board of Directors, and CEO
Erdal AKSOY	Chairman
Banu AKSOY	Deputy Chairman
Erkan İLHANTEKİN	Finance Director (CFO)
Eda YÜKSEL	Legal Director (CLO)
Elif Kirankabeş	Human Resources Director

Source: www.turcas.com.tr

Committees Formed Within Board of Directors

Audit Committee

Name/ Surname	Title
Lale ERGİN	Independent Member of Board of Directors - Chairman of the Committee
Emre DERMAN	Independent Member of Board of Directors - Member

Corporate Governance Committee

Name/ Surname	Title
Timothy James FORD	Independent Member of Board of Directors - Chairman of the Committee
Lale ERGİN	Independent Member of Board of Directors - Member
M. Timuçin TECMEN	Member of Board of Directors - Member
Matthew J. BRYZA	Member of Board of Directors - Member
Erkan İLHANTEKİN	Finance Director (CFO) -Investor Relations Department Officer -Member

Early Detection of Risk Committee

Name/ Surname	Title
Emre DERMAN	Independent Member of Board of Directors / Chairman of the Committee
Banu AKSOY	Deputy Chairman of the Board of Directors -Member
M. Timuçin TECMEN	Member of Board of Directors - Member

Source: www.kap.org.tr

Investor Relations Unit

Name Surname	Title	Contact
Erkan İLHANTEKİN	Finance Director (CFO) Investor Relations Department Officer	0(212) 259 0000/1270 erkan.ilhantekin@turcas.com.tr
Mert GÖKNAR	Finance Director	0(212) 259 0000/1243 mert.goknar@turcas.com.tr
Arif ŞAHİN	Corporate Finance and Investor Relations Manager	0(212) 259 0000/1238 arif.sahin@turcas.com.tr

Comparison of some items of the Company's Summary Balance Sheet for the last two years and six months (Consolidated)

	2022/09	2023/09	Change % (09/2022-09/2023)	2022/12
Current Assets	297,270,127	330,348,786	11.12	173,397,981
Fixed Assets	1,597,256,535	2,039,423,824	27.68	1,320,103,905
Total Assets	1,894,526,662	2,369,772,610	25.08	1,493,501,886
Short-Term Liabilities	146,369,680	212,833,592	45.40	95,149,177
Long-Term Liabilities	373,012,061	333,850,658	- 10.49	337,714,908
Paid-in capital	255,600,000	255,600,000	-	255,600,000
Equity	1,375,144,921	1,823,088,360	32.57	1,060,637,801

Source: Turcas Petrol A.Ş. Financial Statements and Independent Auditor's Report for the Periods 01.01.2022-30.09.2022, 01.01.2022-31.12.2022 and 01.01.2023-30.09.2023

Comparison of some items of the Company's Summary Income Statement for the yearends of the last two years and six months periods (Consolidated)

	2022/09	2023/09	Change (%) 09/2022-09/2023	2022/12
Revenue	-	-	-	-
Cost Of Sales (-)	-	-	-	-
Operational Profit or Loss	(82,184,511)	(89,950,222)	9.44	(95,746,159)
Profit/(Loss) Before Taxes	1,007,382,280	771,404,989	- 23.42	741,223,157
Net Profit/Loss	1,061,755,548	764,634,641	- 27.98	793,194,733

Source: Turcas Petrol A.Ş. Financial Statements and Independent Auditor's Report for the Periods 01.01.2022-30.09.2022, 01.01.2022-31.12.2022 and 01.01.2023-30.09.2023

Subsidiaries, Financial Fixed Assets and Financial Investments

Trade name	Line of Business	Paid in/Issued Capital	Company's Share in Capital	Currency	Company's Share in Capital (%)	The Nature of the Relationship with the Company
SHELL&TURCAS PETROL. A.Ş	Petroleum Products	528,117,660	158,435,298	TRY	30.00	DIRECT SUBSIDIARY
RWE & TURCAS GÜNEY ELEKTRİK ÜRETİM A.Ş.	Electricity Generation	1,162,620,765	348,786,230	TRY	30.00	DIRECT SUBSIDIARY
ATAŞ ANADOLU TASFIYEHANESİ A.Ş.	Fuel Oil Storage	8,400,000	420,000	TRY	5.00	FINANCIAL INVESTMENT

Source: www.kap.org.tr

The Market where the Capital Market Instrument is Traded and the Indexes that the Company is Included

BIST Code : TRCAS

Market where the Capital Market Instrument is Traded : BIST STAR

The Indices in which it is included : BIST CORPORATE GOVERNANCE / BIST 500 / BIST FINANCIALS / BIST ISTANBUL / BIST ALL SHARES-100 / BIST STARS / BIST HOLD. AND INVESTMENT / BIST ALL SHARES

The Peak and Bottom Closing Values of the Company's Stock in the BIST in the Last One Year Period (12.02.2023-12.02.2024)

Bottom (TL)	Peak (TL)
11.05 (10.05.2023)	32.64 (06.10.2023)

Source: Turcas Petrol A.Ş

B. Changes in the Company in the Last Year:

i. Changes in Capital and Articles of Association

During the monitoring period, permissions were obtained from the relevant institutions for the amendment of Article 15 titled "Board of Directors Meetings" and Article 22 titled "Auditor Election" of the company's articles of association, and the amendments were discussed and approved as the 11th item of the agenda at the ordinary general assembly held on 20.06.2023. The relevant amendment entered into force with the registration of the ordinary general assembly on 03.07.2023.

There is no change in the company capital.

ii. Profit Distribution:

The decision of the Board of Directors dated 31.03.2023 and numbered 2023/06, regarding the distribution of the net period profit obtained as a result of 2022 activities is as follows;

"According to legal records, no Net Distributable Profit has been generated due to previous years' losses in the dividend distribution table prepared on the basis of the primary statements dated 31 December 2022 kept within the scope of the Turkish Commercial Code and the Tax Procedure Law and the unconsolidated financial statements prepared in accordance with the Capital Markets Board regulations and independently audited. For this reason, it was unanimously decided by those who attended the meeting that no profit should be distributed and that the proposal regarding this would be submitted to the approval of the shareholders at the next ordinary general assembly."

The relevant proposal was discussed and approved as item 6 of the agenda at the ordinary general assembly held on 20.06.2023.

iii. Policies:

No changes were made to company policies during the reviewing period.

iv. Management and Organization:

The Company's Material Disclosure dated 24.05.2023 is as follows;

"Since our company is among the First Group Companies within the scope of Article 5 (Implementation of Corporate Governance Principles) of the CMB Corporate Governance Communiqué numbered II-17.1, in accordance with the following provision in Article 4.3.4 of the Corporate Governance Principles of the Corporate Governance Communiqué, the necessity of adding 1 more Independent Board Member to the Board of Directors has arisen. "The number of independent members within the Board of Directors cannot be less than one-third of the total number of members. In calculating the number of independent members, the fractions are taken into account as the following whole number."

In this context, Mr. Tim FORD, who was presented to the CMB as an independent board member candidate by the opinion of the Corporate Governance Committee (instead of the Nomination Committee) and the decision of the Board of Directors dated 14.04.2023 and numbered 2023/09, and whose candidacy was not objected to by the letter of the CMB dated 28.04.2023 with the number E-29833736-110.07.07-36692, has been decided to be presented to the General Assembly as a candidate for Independent Board Member to serve until the end of the current board members' term of office, by the decision of the Board of Directors dated 24.05.2023 and numbered 12."

At the ordinary general assembly held on June 20, 2023, Mr. Timothy James FORD's independent board membership was submitted to shareholders for approval and was accepted.

v. Changes in Group Companies, Subsidiaries and Affiliates:

No changes were made.

4. RATING METHODOLOGY

The Corporate Governance Compliance Rating is a system which audits whether or not the firm's management structures and management styles, the arrangements for shareholders and stakeholders and the process of informing in transparency and accuracy are performed in accordance with modern corporate governance principles and which assigns a grade corresponding to the existing situation.

The Organization for Economic Co-operation and Development (OECD) established a working group in 1998 to assess member countries' opinions on corporate governance and to prepare some non-binding principles.

The fact that principles are open to change in time was also accepted in this work. Although these principles were initially focused on the companies whose shares were quoted on the stock exchange, the OECD emphasized that it would also be useful to implement these principles in public enterprises and companies whose shares were not quoted on the stock exchange.

In 1999, OECD Corporate Governance Principles were approved and published at the OECD Meeting of Ministers. Since then, these principles have been regarded as international references for decision-makers, investors, shareholders, companies, and stakeholders worldwide.

Since their approval, these principles have kept the concept of corporate governance on the agenda and have become guidelines for the laws and regulations in OECD members, as well as other countries.

According to OECD Corporate Governance Principles, corporate governance is based on four basic principles: fairness, transparency, accountability, and responsibility.

Turkey has been closely monitoring these developments. A working group established within TUSIAD in 2001 prepared the guide

titled "Corporate Governance: The Best Implementation Code." Then, CMB issued "Capital Market Board Corporate Governance Principles" in 2003 and updated it in 2005, 2010, 2012, 2013 and 2014 according to international developments in this field.

Obligation to comply with CMB's Corporate Governance Principles, based on the principle of "comply or disclose," and to declare it became part of companies' lives in 2004. Putting the Declaration of Compliance to Corporate Governance in the annual reports became obligatory the following year.

The principles are grouped under four main headings: the Shareholders, Public Disclosure and Transparency, Stakeholders, and the Board of Directors.

The Corporate Governance Compliance Rating Methodology has been prepared by Kobirate A.Ş. for companies whose shares are traded on BIST, banks, investment partnerships and non-quoted companies.

It has been prepared by considering the criteria specified in the Corporate Governance Communiqué of the CMB, numbered II-17.1, published in the Official Gazette dated 03 January 2014 and numbered 28871, as well as the decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105.

This analysis considers the full compliance of workflow and analysis techniques with KOBİRATE A.Ş.'s Ethical Rules.

456 criteria are used in the rating process for BIST 1st Group Companies in order to measure the compliance of firms with corporate governance principles. These criteria are transformed into "Corporate Governance Rating Question Sets" through Kobirate A.Ş.'s software.

The weighting scheme for the four main sections in the new Corporate Governance

Compliance Rating, determined by CMB's memorandum dated 12.04.2013 and numbered 36231672-410.99 (KBRT)-267/3854, is applied completely by Kobirate A.Ş. The weightings are as follows:

Shareholders 25 %

Public Disclosure and Transparency 25 %

Stakeholders 15 %

Board of Directors 35 %

CMB decision dated 01.02.2013 and numbered 4/105 states that in case the minimum requirements of corporate governance principles are met, 85 % of full points can be given at most for that principle and it is required to add new questions/methods into the methodology in order to ensure that good corporate governance principles, which go beyond meeting the minimum requirements are included in the rating grade. Our company has been informed about this requirement by CMB notification dated 19.07.2013, numbered 36231672-410.99 (KBRT) 452.

In the 2014/2 revised corporate governance compliance rating methodology created by our company, the grade that can be given to a related criterion in that subsection for meeting minimum requirements of corporate governance principles, stated by CMB Communiqué of Corporate Governance published on 03.01.2014 is restricted to 85 % of the full points. A rating is made with a system that completes the section grades up to 100 by the company's compliance and implementation of the corporate governance practices, which include the good implementation and internalization of the criteria determined in the corporate governance principles and the different good corporate governance practice criteria determined by our company.

The grade to be assigned by the Corporate Governance Rating Committee to the firm ranges between 0-10. In this grade scale, "10" points mean excellent, full compliance with

CMB's Corporate Governance Principles, while grade "0" means that there is no compliance with CMB's Corporate Governance Principles, in any sense, in the existing weak structure.

5. KOBİRATE ULUSLARARASI KREDİ DERECELENDİRME VE KURUMSAL YÖNETİM HİZMETLERİ
A. Ş. CORPORATE GOVERNANCE RATING GRADES AND DESCRIPTIONS

GRADE	DEFINITIONS
9-10	The Company achieved substantial compliance with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are established and are operational. Any risks the Company might be exposed to are recognized and controlled effectively. The rights of the shareholders are impartially taken care of. The level of public disclosure and transparency is high. The interests of the stakeholders are fairly considered. The structure and the working conditions of the Board of Directors are in full compliance with the Corporate Governance Principles. The Company is eligible for inclusion in the BIST corporate governance index.
7-8.9	The Company complied considerably with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are in place and operational, although some improvements are required. Potential risks to which the Company may be exposed are identified and can be managed. The rights of the shareholders are impartially taken care of. Public Disclosure and transparency are at high levels. The interests of the stakeholders are fairly considered. The composition and operational conditions of the Board comply with the Corporate Governance Principles. Some improvements are needed in compliance with the Corporate Governance Principles, even though they do not constitute serious risks. The company is eligible for inclusion in the BIST Corporate Governance Index.
6-6.9	The Company has moderately complied with the Corporate Governance Principles issued by the Capital Market Board. Internal Control systems at a moderate level have been established and operated. However, improvement is required. Potential risks that the Company may be exposed are identified and can be managed. The interests of the shareholders are taken care of, although improvement is needed. Although public disclosure and transparency are taken care of, there is a need for improvement. The benefits of the stakeholders are taken care of, but improvement is needed. Some improvement is required in the structure and working conditions of the Board.

GRADE	DEFINITIONS
4-5.9	<p>The Company has minimum compliance with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are in place at a minimum level but are not full and efficient. Potential risks that the company is exposed to are not properly identified and are not under control. Substantial improvements are required to comply with the Corporate Governance Principles in terms of the benefits of both the shareholders and stakeholders, public disclosure, transparency, and the structure and working conditions of the Board. Under the current conditions, the Company is not eligible to be listed in the BIST Corporate Governance Index.</p>
< 4	<p>The Company has failed to comply with the Corporate Governance Principles issued by the Capital Market Board. It also failed to establish its internal control systems. Potential risks that the company might be exposed to are not identified and cannot be managed. The company is not responsive to the Corporate Governance Principles at all levels. There are major weaknesses in the interest of the shareholders and the stakeholders, public disclosure, transparency, structure and working conditions of the Board, and they are at a level that might cause the investor to incur material losses.</p>